

SECRET

SAPC-5513

MEMORANDUM FOR THE RECORD

SUBJECT : Concurrence in Supplemental Agreement No. 2 to Contract Number SC-21-54 with Perkin-Elmer Corporation - Project AQUATONE (Octroi).

1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is set forth in Paragraph 6.

2. Contract No. SC-21-54 and Amendment Number 1 thereto provide for the design and production of Photographic Equipment and related Ground Support Equipment necessary for the subject project. Amendment Number 2 provides for the design and redesign of certain photographic equipment, and additions to the Ground Handling Equipment required as a result of the increased magnitude of operations, both at the Test Site and in actual operations. The Contractor's proposal for the additional Ground Handling Equipment is based on the operational concept and level delineated in the Suppliers' Meeting of 1 March 1956.

3. Contract No. SC-21-54 and Amendment Number 1 obligated a total of \$5,401,012 under Project OCTROI, consisting of \$5,185,000 of Fiscal Year 1955 funds and \$216,012 of Fiscal Year 1956 funds. This Amendment Number 2 obligates an additional \$271,814 of Fiscal Year 1956 AQUATONE funds for Project OCTROI.

4. By memorandum dated 23 September 1955, in amendment of memorandum dated 2 January 1955, the Director of Central Intelligence advised the Comptroller that in accordance with the provisions of Section 10(b) of Public Law 110, 81st Congress, a sum not to exceed \$6,000,000 (\$5,500,000 FY-55 and \$500,000 FY-56) is available for procurement under Project OCTROI. The obligations to date under Contract No. SC-21-54 and Amendments Numbers 1 and 2, inclusive, are \$5,185,000 - FY-55 and \$487,826 - FY-56, or a total obligation of \$5,672,826.

5. It is anticipated that some additional procurements, such as the requirement for additional film spools to accommodate the increased film supply schedule, will be necessary under Contract No. SC-21-54 to satisfy existing requirements.

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